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EXAMINER

BROWN, TIMOTHY M

ART UNIT

PAPER NUMBER

3625

DATE MAILED: 09/17/2003

Please find below and/or attached an Office communication concerning this application or proceeding.

**Office Action Summary**

Application No.

09/977,128

Applicant(s)

GOODMAN ET AL.

Examiner

Tim Brown

Art Unit

3625

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --  
**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 02 September 2003.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-10 and 12-15 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-10 and 12-15 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☐ The proposed drawing correction filed on \_\_\_\_\_ is: a) ☐ approved b) ☐ disapproved by the Examiner.  
If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

**Priority under 35 U.S.C. §§ 119 and 120**

- 13) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).  
a) ☐ All b) ☐ Some \* c) ☐ None of:  
1. ☐ Certified copies of the priority documents have been received.  
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.  
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).  
\* See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).  
a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

**Attachment(s)**

- 1) ☒ Notice of References Cited (PTO-892)                      4) ☐ Interview Summary (PTO-413) Paper No(s). \_\_\_\_\_
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)                      5) ☐ Notice of Informal Patent Application (PTO-152)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449) Paper No(s) \_\_\_\_\_                      6) ☐ Other: \_\_\_\_\_

**DETAILED ACTION**

1. The indicated allowability of claims 1-9, 14 and 15 is withdrawn in view of the newly discovered references to Arnold et al. (U.S. Pat. No. 6,016,504) ("Arnold") and Wilf et al. (U.S. Pat. No. 5,899,980) ("Wilf"). Rejections based on the newly cited reference(s) follow.

***Claim Rejections - 35 USC § 103***

2. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

3. **Claims 1, 2, 4, 6-8, 10, 12, 14 and 15 are rejected under 35 U.S.C. 103(a) as being unpatentable over Arnold in view of Wilf.**

Regarding Claims 1, 2, 10 and 14, Arnold teaches a method for performing transactions over the Internet comprising the steps of:

providing a host web site capable of routing web users from the host web site to other web sites (Abstract; Figs. 1A-B, 25; col. 4, lines 8-18; and col. 5, lines 41-55);

providing software to be installed on the vendor web site to recognize when a customer has been routed to the vendor web site from the host web site (Abstract; col. 5, lines 64-67; col. 6, lines 1, 57-59; and col. 14, lines 8-11);

requesting and obtaining customer's payment information by the vendor web site after an affirmative act by the customer is made to make a purchase on the

Art Unit: 3625

vendor's web site (Abstract; Fig. 27; col. 11, lines 58-67; and col. 14, lines 46-50);  
and

fulfilling the customer's purchase request by the vendor web site (Abstract).

Arnold does not expressly teach:

*arranging with a cooperating vendor web site to accept payment from the host web site in return for the vendor web site's fulfillment of a customer purchase request made by a customer routed to the vendor web site via the host web site; +*

*transferring customer's payment information from the vendor web site to the host web site when the software on the vendor web site has determined that the customer has been routed to the vendor web site from the host web site;*

*collecting the funds for the transaction by the host web site using the customer's payment information transferred in the preceding step; and*

*transferring a percentage of the funds collected by the host web site to the vendor web site upon completion of the preceding.*

However, Wilf teaches a method for financing an online transaction wherein, pursuant to an agreement between a vendor and a user's Internet service provider (col. 12, lines 16-25), the vendor's computer system forwards the user's payment information to the Internet service provider (Fig. 2, char. 94; Fig. 2, char. 110; Abstract; col. 6, lines 15-20, 56-67; col. 7, lines 35-56; and col. 10, lines 19-37). Wilf further teaches that upon verifying the user's payment information, the Internet service provider may forward a portion of the user's payment to the vendor while retaining a commission for its service (col. 9, lines 31-41).

At the time of Applicants' invention, it would have been obvious to modify Arnold's method to include the teachings of Wilf. The benefit of this combination would be to enable Arnold's virtual outlet administrator to control the processing of its referral commissions. Thus, the outlet administrator would be provided with a greater level of control over compensation for sales referrals and would otherwise be relieved of the need to audit the payments submitted by its member vendors.

Regarding Claim 4, Wilf and Arnold teach all the limitations discussed under Claim 1. Arnold does not expressly teach *a step for storing information with respect to a plurality of transactions*. However, Wilf teaches a method for billing a user for an online transaction wherein the user's Internet service provider records the transaction details (col. 12, lines 3-5). At the time of Applicants' invention, it would have been obvious to one of ordinary skill in the art, to modify Arnold to include *a step for storing information with respect to a plurality of transactions*. The motivation to implement this combination would be to create a transaction record for sales resulting from the host site's referral service.

Regarding Claim 6, Arnold teaches the step of creating a modified URL of the vendor's web site to distinguish customers routed from the host web site from customers not routed from a host web site (Abstract; col. 5, lines 65-67; col. 6, lines 1, 57-59; and col. 11, lines 8-11).

Regarding Claim 7, Arnold and Wilf teach all the limitations discussed under Claim 1. Arnold and Wilf do not expressly teach *the step of generating a report indicating funds owed to vendor web sites by the host web site*. However, Wilf

Art Unit: 3625

overcomes this deficiency through its disclosure of a method for financing an online transaction wherein a user's Internet service provider processes payment information received from a vendor, and remits a portion of the payment to the vendor upon verifying the user's payment information (col. 9, lines 30-41), and wherein the Internet service provider keeps a record of the transaction (Fig. 5, char. 36; and col. 12, lines 3-5). At the time of Applicants' invention, it would have been obvious to one of ordinary skill in the art, to modify Arnold to include Wilf's teaching *of the step of generating a report indicating funds owed to vendor web sites by the host web site*. The motivation to implement this combination would be to provide a record of funds owed to online vendors.

Regarding Claims 8 and 12, Arnold teaches wherein the host site system further comprises a database system storing information collected from the vendor site (col. 5, lines 41-46; and col. 10, lines 41-52).

Regarding Claim 15, Arnold and Wilf teach all the limitations discussed under Claims 1 and 14. Arnold does not expressly teach *wherein the host system sends the portion of the payment to the vendor system after confirmation that the transaction has been executed*. However, Wilf teaches a method for financing an online transaction wherein a vendor's computer system forwards a user's payment information to the user's Internet service provider upon performance of the transaction by the vendor (Fig. 4, char. 121-122; col. 9, lines 30-41; and col. 11, lines 35-45). At the time of Applicants' invention, it would have been obvious to one of ordinary skill in the art, to modify Arnold to include *wherein the host system sends the portion of the*

Art Unit: 3625

*payment to the vendor system after confirmation that the transaction has been executed* as taught by Wilf. The benefit of this combination would be to ensure the vendor's performance pursuant to the terms of the online transaction.

**4. Claims 3, 9 and 13 are rejected under 35 U.S.C. 103(a) as being unpatentable over Arnold in view of Wilf and further in view of Official Notice.**

Regarding Claim 3, Arnold and Wilf teach all the limitations discussed under Claim 2. Arnold and Wilf do not expressly teach *wherein the step of fulfilling a customer's purchase request comprises the act of shipping a product to the customer*. However, the Examiner takes Official Notice that shipping a product, by a vendor, pursuant to an online transaction, is old and well known in the Internet commerce art. Moreover, Arnold discloses a vendor sending an ordered item to a customer (col. 14, lines 37-41). Therefore, at the time of Applicants' invention, it would have been obvious to one of ordinary skill in the art to modify Arnold and Wilf to include *wherein the step of fulfilling a customer's purchase request comprises the act of shipping a product to the customer* as this combination would provide a means for delivering products that are incapable of being delivered over a network.

Regarding Claims 9 and 13, Arnold and Wilf teach all the limitations discussed under Claims 1 and 10. Arnold and Wilf do not expressly teach *the step of tracking the status of each transaction, where the status can be obtained by commands on the host web site*. However, the Examiner takes Official Notice that providing order tracking, by an online vendor, is old and well known in the Internet commerce art. Therefore, at the time of Applicants' invention, it would have been obvious to one of

Art Unit: 3625

ordinary skill in the art, to modify Arnold and Wilf to include *the step of tracking the status of each transaction, where the status can be obtained by commands on the host web site*. This combination would provide a value-added service in that users would be permitted to determine an anticipated delivery date for an ordered product.

**5. Claim 5 is rejected under 35 U.S.C. 103(a) as being unpatentable over Arnold in view of Wilf and further in view of Bezos et al. (U.S. Pat. No. 6,029,141) ("Bezos").**

Arnold and Wilf teach all the limitations discussed under Claim 1. Arnold and Wilf do not expressly teach *wherein the step of providing software to be installed on the vendor web site to recognize when a customer has been routed to the vendor web site from the host web site comprises the recognition of a cookie placed on the customer's computer by the host web site*. However, Bezos teaches a method for hosting an Internet affiliate program wherein users that are referred to a vendor are identified by an Internet cookie (Abstract; and col. 5, lines 5-60). At the time of Applicants' invention, it would have been obvious to one of ordinary skill in the art, to modify Arnold and Wilf to include *wherein the step of providing software to be installed on the vendor web site to recognize when a customer has been routed to the vendor web site from the host web site comprises the recognition of a cookie placed on the customer's computer by the host web site* as taught by Bezos. The benefit of this combination would be to provide another means for identifying users that have been referred by the host site.



***Claim Rejections - 35 USC § 112***

6. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

7. Claims 1-9 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Claim 1 recites "transferring a percentage of the funds . . . upon completion of the preceding step." This language renders the scope of the claim indefinite because it is unclear whether "the preceding step" refers to (1) any of the steps recited before the transferring step, or (2) simply the fulfilling step that is recited just prior to the transferring step. If Applicants' invention is directed to the second interpretation of the transferring step, it is recommended that Applicants amend claim 1 to recite "transferring a percentage of the funds . . . upon completion of the transferring step." Claims 2-9 are rejected for incorporating the deficiencies of claim 1.

8. Claim 3 is further rejected under 35 U.S.C. 112, second paragraph, for reciting "wherein the step of fulfilling *a customer's* purchase request comprises . . . ." (line 2, emphasis added). This language renders the claim indefinite because it is unclear whether "a customer[]" refers to *the customer* (see Claim 1, lines 8-9) or a second customer. Note MPEP §2173.05(o) prohibits double inclusion. Correction is required.

9. Claim 6 is further rejected under 35 U.S.C. 112, second paragraph, for reciting "from customers not routed from *a host web site*" (lines 3-4, emphasis added). This language renders the claim indefinite because it is unclear whether "a host web site"

Art Unit: 3625

refers to *the host web site* or a second host web site. Note MPEP §2173.05(o) prohibits double inclusion. Correction is required.

**Conclusion**

**10.** The prior art made of record and not relied upon is considered pertinent to applicant's disclosure: Levine (WO 00/33272) 8 June 2002, discloses an Internet-based multilevel marketing method payment of a sales commission

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Tim Brown whose telephone number is (703) 305-1912. The examiner can normally be reached on Monday - Friday, 8am - 5pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Wynn Coggins can be reached on (703) 308-1344. The fax phone numbers for the organization where this application or proceeding is assigned are (703) 305-7687 for regular communications and (703) 305-7687 for After Final communications.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is (703) 308-1113.

Tim Brown  
Examiner  
Art Unit 3625

TB  
September 13, 2003

  
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